
SENATE BILL No. 215

DIGEST OF INTRODUCED BILL

Citations Affected: IC 12-15.

Synopsis: Medicaid overpayments. Requires a provider to repay an alleged Medicaid overpayment. Allows an administrator to recoup the overpayment if an agreement cannot be reached with the provider within 60 days.

Effective: July 1, 2009.

Miller

January 7, 2009, read first time and referred to Committee on Health and Provider Services.

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First Regular Session 116th General Assembly (2009)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2008 Regular Session of the General Assembly.

SENATE BILL No. 215

A BILL FOR AN ACT to amend the Indiana Code concerning Medicaid.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 12-15-13-3, AS AMENDED BY P.L.8-2005,
2 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2009]: Sec. 3. (a) If the office of the secretary believes that an
4 overpayment to a provider has occurred, the office of the secretary may
5 do the following:

6 (1) Notify the provider in writing that the office of the secretary
7 believes that an overpayment has occurred.

8 (2) ~~Request~~ **Demand** in the notice that the provider repay the
9 amount of the alleged overpayment, including interest:

10 (A) due from the provider; and

11 (B) accruing from the date of overpayment.

12 (b) A provider who receives a notice and ~~request~~ **demand** for
13 repayment under subsection (a) may elect to do one (1) of the
14 following:

15 (1) Repay the amount of the overpayment not later than sixty (60)
16 days after receiving notice from the office of the secretary,
17 including interest:



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(A) due from the provider; and

(B) accruing from the date of overpayment.

(2) Request a hearing and repay the amount of the alleged overpayment not later than sixty (60) days after receiving notice from the office of the secretary.

~~(3) Request a hearing not later than sixty (60) days after receiving notice from the office of the secretary and not repay the alleged overpayment, except as provided in subsection (d).~~

(c) If:

(1) a provider elects to proceed under subsection (b)(2); and

(2) the office of the secretary determines after the hearing and any subsequent appeal that the provider does not owe the money that the office of the secretary believed the provider owed;

the office of the secretary shall return the amount of the alleged overpayment, and any interest paid by the provider, and pay the provider interest on the money from the date of the provider's repayment.

~~(d) If:~~

~~(1) a provider elects to proceed under subsection (b)(3); and~~

~~(2) the office of the secretary determines after the hearing and any subsequent appeal that the provider owes the money;~~

the provider shall pay the amount of the overpayment, including interest due from the provider and accruing from the date of the overpayment.

~~(e)~~ (d) Interest that is due under this section shall be paid at a rate that is determined by the commissioner of the department of state revenue under IC 6-8.1-10-1(c) as follows:

(1) Interest due from a provider to the state shall be paid at the rate set by the commissioner for interest payments from the department of state revenue to a taxpayer.

(2) Interest due from the state to a provider shall be paid at the rate set by the commissioner for interest payments from the department of state revenue to a taxpayer.

~~(f)~~ (e) Interest on an overpayment to a provider is not due from the provider if the overpayment is the result of an error of:

(1) the office; or

(2) a contractor of the office;

as determined by the office of the secretary.

~~(g)~~ (f) If interest on an overpayment to a provider is due from the provider, the secretary may, in the course of negotiations with the provider regarding an appeal filed under subsection (b), reduce the amount of interest due from the provider.

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1 ~~(h)~~ (g) Proceedings under this section are subject to IC 4-21.5.

2 SECTION 2. IC 12-15-23-2 IS AMENDED TO READ AS
3 FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. (a) If the **office of**
4 **the secretary of family and social services or the** administrator of
5 **the office** determines that a provider has received payments the
6 provider is not entitled to, the administrator may enter into an
7 agreement with the provider stating that the amount of the overpayment
8 shall be deducted from subsequent payments to the provider.

9 (b) **If the office of the secretary of family and social services or**
10 **the administrator of the office and the provider cannot come to an**
11 **agreement within sixty (60) days after it is determined that a**
12 **provider has received payments that the provider is not entitled to,**
13 **the administrator may recoup the amount of overpayment to the**
14 **provider claimed by the state from subsequent payments to the**
15 **provider.**

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